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## **ARIZONA CORPORATION COMMISSION**

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October 11, 2000

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Jay Birnbaum John Beahn

OCT 1 1 2000

Skadden Arps Slate Meagher & Flom LLP

1440 New York Avenue Washington, DC 20005 DOCKETED BY

Subject: Sufficiency Review - Docket No. T-03940A-00-0771

Dear Messrs. Birnbaum and Beahn:

In the matter of the Application of Dynamic Telecom Engineering I, LLC for a Certificate of Convenience and Necessity to Provide Competitive Intrastate Telecommunication Service:

\_\_\_ This application is sufficient.

 $\checkmark$  The application is insufficient and lacks the following items:

- 1. You mentioned that you are not currently providing telecommunications services in any states. Please state if you are authorized to offer telecommunications services in any states. Please elaborate on what services (facilities-based or resold and interexchange or local) you are approved to offer in each state.
- 2. Include a copy of your Company's most recent balance sheet, income statement, audit report (if audited), and all related notes to these financial statements.
- 3. If the balance sheets you submit do not have retained earnings accounts, please provide this account information on a separate sheet.
- 4. If your Company intends to rely on the financial resources of its Parent Company, please provide your Parent Company's financial statements. Also, please provide a written statement from your Parent Company attesting that it will provide complete financial backing if your Company experiences a net loss or a business failure and that it will guarantee repayment of customers' advances, prepayments or deposits held by your Company if, for some reason, your Company cannot provide service or repay the deposits.
- 5. Please provide your customer services phone number.

If this information is not received within 71 days of the date of this letter, Staff may terminate this application. Please mail an original plus 10 copies to: Docket Control, Arizona Corporation Commission, 1200 W Washington Street, Phoenix, AZ 85007-2927.

Additionally, due to a recent Arizona Superior Court ruling, Staff requests additional information necessary to process the Certificate of Convenience and Necessity application.

- A. Please provide the value of all plant and equipment currently held by the company, intended to be used to provide telecommunications service to Arizona customers.
- В. Please provide a description of each asset in your response to item A, including the assets cost and location.
- C. Please provide the projected value of all plant and equipment to be used to provide telecommunications service to Arizona customers at the time the Company begins serving its first customer.
- Please provide a description of each asset in your response to item C, including D. the assets cost and location.
- E. Please explain how the value of the company's plant and equipment is related to the Company's proposed rates.

This fair value information must be received by Docket Control within 30 days of the date of this letter. Please mail an original plus 10 copies to: Docket Control, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. If no response is received, Staff may recommend that the application be terminated. If the application is terminated, the Applicant cannot provide telecommunications service until such time as a new application is filed with and approved by the Commission.

Applicant is required to publish legal notice of the application in all counties where services will be provided.

Remember that information submitted for a CC&N will be made a part of the public record Any information designated as confidential will not be (including financial statements). accepted by Docket Control. If you have any questions, please contact me at (602) 542-0742. Thank you for your prompt response to this request.

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